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FISCAL IMPACT STATEMENT

LS 7418

BILL NUMBER: SB 519

NOTE PREPARED: Apr 9, 2013

BILL AMENDED: Apr 8, 2013

SUBJECT: Various Election Law Matters.

FIRST AUTHOR: Sen. Landske

FIRST SPONSOR: Rep. Richardson

BILL STATUS: CR Adopted - 2nd House

FUNDS AFFECTED: X **GENERAL**
X **DEDICATED**
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) *Poll Lists Definition*- The bill adds a definition of "signing the poll list" and a list of additional information that must be contained on a certified poll list for a precinct.

Voter Education Outreach Fund- The bill establishes the Voter Education Outreach Fund (VEOF) to receive, hold, and disburse funds for education and outreach to citizens concerning voter rights and responsibilities.

Removal of Paster References- The bill removes references to "pasters".

NVRA Official Designates Agencies- The bill provides that the NVRA official (rather than the Secretary of Family and Social Services) designates "full service" registration agencies.

Vote Center Personnel Titles- The bill permits county vote center plans to use other titles to designate precinct election officials. The bill provides that the county vote center plan must specify which precinct election officer is to perform a duty required of a precinct election officer by the election code.

Vote Center Plans- The bill provides that vote center plans are required to include certain provisions applicable only when an election is not being held in all of a county.

SVRF Subscription Expiration- The bill provides that the subscription of an entity to the statewide voter registration file (SVRF) information expires on the first January 1 following payment of the annual fee.

Polling Place Lists and VINs- The bill amends the requirements concerning precinct polling place lists to update a reference to voter identification number (VIN) and to add birth dates.

Vote Center Mailing Notices- The bill permits a vote center county to use notices mailed to the active voters eligible to vote in the next election (or provided at the vote center) and presented at a vote center for the purpose of obtaining a voter's signature when casting a ballot (rather than having the voter sign a printed poll list).

Annual Residency Confirmation and Outreach- The bill requires the National Voter Registration Act (NVRA) official to conduct an annual residency confirmation and outreach procedure, and any cases in which a voter cast a ballot in more than one state during the same election.

Poll List Requirements- The bill requires that a poll list used in a primary to indicate if a voter is less than 18 years of age.

E-Pollbook Requirements- The bill requires that the statewide voter registration system ("the computerized list") be able to upload vote history and other information from an electronic pollbook certified by the Secretary of State for use in Indiana at the end of each day absentee voting is conducted using the electronic pollbook. The bill requires that an electronic pollbook must be able to permit vote history to be quickly and accurately uploaded into the statewide voter registration system on each day after absentee voting concludes in the clerk's office, a satellite clerk's office, or a vote center. The bill requires that a signature pad, used with an electronic pollbook, must capture the image of the signature made by the voter for retention as part of the records of the election.

Previous Registration Forms- The bill specifies that registration forms previously approved by the Indiana Election Commission (IEC) which do not comply with the requirements to provide a space for a sworn statement of the name and address of an individual who received the form from the applicant, the date on which the form was received from the applicant, and contains a receipt to be given to the applicant from the individual who receives the application may not be used after December 31, 2013 or accepted by a county voter registration office.

Optional Use of Notices for Voter List Maintenance- The bill permits, but does not require, that a notice mailed to all active voters of a county to be used by the county for voter list maintenance purposes.

Comparison of Voter Lists in Other States- The bill requires comparison of voter lists from certain neighboring states and others with the Indiana voter registration list to identify duplicate registrations and any cases in which a voter cast a ballot in more than one state during the same election.

Cancellation of Dead Voter's Registration- The bill requires a county voter registration office (CVRO) to cancel the registration of a voter if the office receives certain notices of the voter's death. The bill requires the State Department of Health (ISDH) and the Election Division (IED) to obtain certain information about the deaths of Indiana residents for purposes of maintaining voter registration records. The bill establishes procedures for county processing of voter registration record cancellations.

Electronic Poll Lists- The bill permits the county election board (CEB) of a county that is not a vote center county to adopt an order to use electronic poll lists. The bill establishes additional standards for electronic poll lists.

Transmit Voter Registration Applications- The bill permits the Family and Social Services Administration (FSSA) and the State Department of Health (SDOH) to transmit voter registration applications by first class

mail. (Current law requires the use of certified mail, when mail is used.)

Government Employees- The bill provides that a government employee may not: (1) use certain property of the employee's government employer to solicit a contribution, advocate the election or defeat of a candidate, or advocate the approval or defeat of a public question; or (2) distribute campaign materials advocating: the election or defeat of a candidate; or the approval or defeat of a public question; on the government employer's real property during regular working hours. The bill provides that the prohibitions do not apply to activities permitted under the statute governing issuance of bonds or other evidences of indebtedness by a political subdivision. The bill provides that a violation of the prohibition is a Class A misdemeanor. The bill provides that a second or subsequent conviction for a violation is a Class D felony.

Technical Changes, Repealers- The bill makes technical changes. It repeals: (1) obsolete procedures relating to designation of voter registration agencies; (2) a requirement for counties to have an NVRA implementation plan; (3) requirements relating to making memoranda of voter registration documents; (4) statutes relating to pasters; (5) sample ballots; and (6) delivery of absentee ballot applications.

Effective Date: Upon passage; July 1, 2013.

Explanation of State Expenditures: (Revised) *NVRA Official Designates Agencies-* This provision would allow the NVRA officials (the Election Division Co-Directors) to designate agencies required to provide voter registration services after determining the extent to which: (1) the agency in question is funded by the state; and (2) the agency is primarily engaged in serving persons with disabilities. It is likely the Co-Directors of the Election Division could make the proper designations within existing resources.

Statewide Voter Registration Management/Address Confirmation Mailing- The bill would give the option for the Election Division to enter into a contract agreement with a vendor to provide voter registration system maintenance and a vendor to conduct an address confirmation mailing. The bill would allow the Secretary of the State to enter into contracts with vendors for these services if the Election Division is unable to do so. However, the bill does not provide an appropriation to fund these potential contracts. The additional funds and resources required could be supplied through resources currently being used in another program or with new appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

(Revised) *Certification of E-Poll Lists-* The Election Division (IED) would receive and process applications for e-poll books and lists for the Secretary of State (SOS). The SOS would prescribe the application form and based on the recommendation of the Voting System Technical Oversight Program (VSTOP) would approve or disapprove of applications. It is likely, that both the IED and the SOS would be able to accomplish these provisions within existing resources. Certifications made by the SOS would last until December 31 of the year following the date of issuance of the certification.

Voter Education Outreach Fund (VOEF)- The VOEF would be created to educate and provide outreach on voters' rights and responsibilities. The VOEF would be administered by the Secretary of State (SOS). Expenditures necessary to administer the VOEF would be paid from the VOEF.

(Revised) *Annual Residency Confirmation and Outreach-* Election officials would have to adhere to the procedures required in the bill and may require additional administrative time to accomplish these provisions. Additional expense may be required for postage if the NVRA official or contracted vendor sends a mailing

notice to each voter in Indiana.

The NVRA official would also be required to contact Indiana's districts within the U.S. district court system to confirm the return of U.S. mail sent for jury selection purposes. Additionally, the CVRO would be required to send an address confirmation notice to a voter that this provision could impact.

Comparison of Voter Lists in Other States- NVRA officials would experience an increase in their administrative workload to accomplish this provision. The NVRA official would have to request a list from election officials in Florida, Illinois, Kentucky, Michigan, and Ohio. Additionally, the NVRA official would also be able to request lists from other states if the NVRA official determines there is reasonable probability that a significant number of individuals registered to vote in Indiana may also have registered in that state. If the lists were received, the NVRA official would use them to help with the maintenance of the voter list by determining if any possible duplicate registrations exist and report those findings to the county voter registration office. NVRA officials would be required to submit the names of all registered voters in Indiana to the United States Postal Service National Change of Address Service.

Kansas Provision: No later than August 1, 2013, NVRA officials would be required to establish a memorandum of understanding with the Kansas Secretary of State. Every January 15, the NVRA officials would be required to provide data from the SVRL, cost-free, to the Kansas Secretary of State to allow comparison of voter registration data. An NVRA official would be required to notify the CVRO if a notice is received that a voter in Indiana may be registered to vote in another state. If the voter is determined to have registered in another state after registering in Indiana and authorized the cancellation of the previous Indiana registration, the CVRO would cancel the voter's Indiana registration. However, if the authorization to cancel was not provided by the voter in question, the CVRO would have to send an address confirmation notice to the Indiana address. Additional mailings would require additional postage and printing costs to the CVRO.

Cancellation of Dead Voter's Registration- The SDOH currently checks on the deaths of Indiana residents in other states. The bill would require the SDOH to either continue receiving death information from other states or use the State and Territorial Exchange of Vital Events (STEVE) and the Electronic Verification of Vital Events (EVVE) systems to receive the information.

Under current law, the SDOH forwards the information collected on Indiana resident deaths in other states to the Indiana Election Division. Additionally, the IED checks with the federal Social Security Administration on identified deceased residents of Indiana. The bill would require the IED to check monthly and send a monthly report to all county voter registration offices. The IED currently sends these reports, although not necessarily on a monthly time line. It is likely these provisions would not significantly increase SDOH or IED expenditures, but may increase the need for staff time devoted to carrying out these requirements.

Transmit Voter Registration Applications- This provision would save the FSSA and SDOH postage expense, as first class mail (at \$0.32 per post card) is less than the cost of certified mail (an additional \$2.63 per letter).

(Revised) Government Employees- A Class D felony is punishable by a prison term ranging from six months to three years or reduction to Class A misdemeanor depending upon mitigating and aggravating circumstances. Assuming offenders can be housed in existing facilities with no additional staff, the marginal cost for medical care, food, and clothing is approximately \$3,234 annually, or \$8.86 daily, per prisoner. However, any additional expenditures are likely to be small. The average length of stay in Department of Correction (DOC) facilities for all Class D felony offenders is approximately ten months. However, it is unlikely this provision

would increase DOC expenditures significantly.

Explanation of State Revenues: *SVRF Subscription Expiration-* Copies of the statewide voter registration list are available from the Election Division for an annual fee of \$5,000. The bill places the expiration date of the subscription on January 1 following payment. This provision may slightly affect the timing of subscription fees being received by the IED during the first year of implementation. The provision would likely shift the renewal by subscribers to just after January 1 of a given year, to assure the subscriber receives a complete year of updates of voter registration information from the IED.

(Revised) *Government Employees-* If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class A misdemeanor is \$5,000. The maximum fine for a Class D felony is \$10,000. However, any additional revenue would likely be small.

Explanation of Local Expenditures: *Summary-* The bill would increase the administrative duties of local election officials including: county election boards, offices of voter registration, and local NVRA officials. The following paragraphs provide detailed description of the main additional responsibilities and expenditures required by the bill.

Removal of Paster References- This provision would reduce printing costs to county election boards for the production of "pasters". Whether this provision would affect the reprinting of future ballots would depend on local action.

Polling Place Lists and VINs- The cost to produce poll books may increase by the inclusion of additional information required under this provision. The additional cost could be mitigated by the introduction of electronic poll lists or reduction in the cost of future printed poll lists.

(Revised) *Electronic Poll Lists/E-Pollbook Requirements-* This provision would have two-fold impact on local expenditures. Initially, the county would increase local expenditures by the purchase of the equipment for at least each polling place to have access to an electronic poll list. However, over time, counties that adopt the use of electronic poll lists would recoup the initial cost of the electronic poll lists by no longer printing paper poll lists.

Information on an electronic poll list would require several requirements as detailed in the bill, including encryption and use of a dedicated private server with a secure connection between the county election board and polling places or satellite offices. The poll list would have to be able to allow a poll clerk to enter information on a voter to confirm whether the voter is eligible to vote or has already cast a ballot. The poll list would have to allow an "already voted" entry by the poll clerk. The list must be capable of uploading voter histories, have the ability to immediately transmit information to the polling places, and produce reports. At least one vote center county vendor would be able to comply with the bill's requirements under this provision, and that county would likely not have to make any major changes to their e-poll lists.

Central Count Provision- The bill would require a CEB that wishes to adopt vote centers to pass a resolution making the county a central count county of absentee ballots. This provision would require non-central count counties wishing to adopt vote centers to have the hardware necessary to become a central count county. Generally, an optical scan voting system is used to count absentees. Counties with optical scan voting systems for their precinct voters may be able to spare a few scanners for a central location. It is highly likely all 92

counties in the state either own or can rent at least one optical scan machine for a central count purpose. However, additional expenditures for optical scan machines and absentee ballot transportation costs may be needed to comply with this provision.

Background Information- After being selected as a pilot vote center county, Tippecanoe County paid \$10,750 for electronic polling software for their vote centers. The county was able to eliminate paper lists, which were estimated to cost \$1,782 to produce. It was estimated by the county that the savings from no longer printing poll books would break even with the electronic poll book software start-up costs within roughly six elections conducted by their vote centers.

"Pasters" are used to cover a candidate's name on existing ballots due to the death of the candidate, the candidate no longer being on the ballot for other reasons, or for candidate name changes. Pasters affect optical scan and paper ballot voting methods only.

Central Count Counties- The Election Division reports that as of the end of CY 2012, there were 35 counties that had adopted a resolution as a central count county for purposes of absentee ballot voting.

Explanation of Local Revenues:

State Agencies Affected: Indiana Election Division, Indiana Election Commission, State Department of Health, Family and Social Services Administration; Secretary of State; Department of Correction.

Local Agencies Affected: County election boards, national voter registration officer, board of voter registration, county voter registration office, trial courts, local law enforcement agencies.

Information Sources: Christa Coffee, Tippecanoe County Clerk, Linda Phillips, Former Tippecanoe County Clerk; United States Postal Service; Indiana Election Division.

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